

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO**

Criminal Action No. 06-CR-00264 PSF

FILED: July 11, 2006

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. FLINT ENERGY SERVICES, INC. a Delaware corporation; and
2. KENNETH L. RAINS, a/k/a KENNY RAINS,

Defendants.

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**INFORMATION**

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**THE UNITED STATES ATTORNEY AND THE ASSISTANT ATTORNEY  
GENERAL FOR THE ANTITRUST DIVISION CHARGE:**

**Description of the Offense**

1. Beginning in approximately June 2005, and continuing until as late as December 2005, the exact dates being unknown, in the State of Colorado and elsewhere,

**FLINT ENERGY SERVICES, INC., and  
KENNETH L. RAINS, a/k/a KENNY RAINS**

the defendants herein, and their co-conspirators engaged in a combination and conspiracy in unreasonable restraint of interstate trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

2. The combination and conspiracy consisted of a continuing agreement,

understanding and concert of action among the defendants and their co-conspirators to submit non-competitive and rigged bids to BP America Production Company for the construction of pipelines to transport natural gas from wells in the Upper San Juan Basin in Colorado.

3. For the purpose of forming and carrying out the combination and conspiracy, the defendants and their co-conspirators took various actions, including among other things:

- a. Discussing among themselves the prospective submission of bids for pipeline construction projects;
- b. Allocating pipeline construction projects among themselves;
- c. Designating which co-conspirator would submit the low bid for the project and which coconspirator would submit a higher, complementary bid for the project;
- d. Submitting non-competitive, rigged bids to the BP America Production Company as agreed upon;
- e. Accepting payment from BP America Production Company for work done on pipeline construction projects awarded as a result of non-competitive and rigged bids submitted in furtherance of the conspiracy; and
- f. Concealing and attempting to conceal the conspiracy.

### **Defendants**

4. Defendant FLINT ENERGY SERVICES, INC. is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Tulsa, Oklahoma, and various regional offices, including one located in Farmington, New Mexico. During the period covered by this Information, defendant FLINT ENERGY SERVICES, INC. was engaged in the pipeline construction business in the State of Colorado.

5. During the period covered by this Information, defendant KENNY RAINS was engaged in the pipeline construction business in his capacity as Regional Manager of the Flint Energy Services, Inc. regional office in Farmington, New Mexico.

6. Whenever in this Information reference is made to any act, deed, or transaction of

any corporation, the allegation means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control or transaction of its business or affairs.

### **Trade and Commerce**

7. During the period covered by this Information, substantial quantities of essential materials and equipment were transported across state lines in a continuous and uninterrupted flow of interstate commerce and in a manner substantially affecting interstate commerce, for use in pipeline construction projects rigged by the defendants and their co-conspirators. In addition, the defendants and their co-conspirators caused rigged bids to be electronically submitted from New Mexico to the BP America Production Company office in Houston, Texas where they were processed, and to the BP America Production Company office in Durango, Colorado, which was responsible for the work on the pipeline construction projects rigged by the defendants and their co-conspirators.

8. The business activities of the defendants and their co-conspirators that are the subject of this Information were within the flow of, and substantially affected, interstate commerce.

### **Jurisdiction and Venue**

9. The combination and conspiracy charged in this Information was carried out, in part, within the District of Colorado within the five years preceding the charge.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

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Assistant Attorney General

s/Marvin Price  
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s/William J. Leone  
WILLIAM J. LEONE  
United States Attorney for the  
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